

Air-to-Ground Proceeding WT Docket No. 03-103

Presentation to FCC

Prepared by AirCell

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AirCell

- AirCell has unrivaled history of innovation in ATG service
 - Pioneered efficient reuse of cellular frequencies
 - Overcame "scorched earth" resistance from entrenched carriers
 - Supported by multiple FCC and court decisions
- AirCell has brought same innovation to ATG broadband services proposal
 - ATG broadband system designed and flight tested
 - Efficient, competitive ATG spectrum-sharing



AirCell

- AirCell has rocketed to number one supplier of ATG systems in the US.
 - Provides service to Federal, State, and Local agencies (FBI, US Customs, DOE, etc)
 - Brings crew and emergency coms to Frontier Airlines and Island Air
 - Leading OEM provider to General Aviation
- Result: Dramatically reduced equipment and service costs to General Aviation market





- Promote and deploy innovative, spectrumefficient technologies
- Greater opportunities for the competitive provision of air-to-ground services:
 - Lower prices and increased choices in wireless services to consumers while traveling by commercial airliner
- "We are concerned that there is only one licensee remaining in this service...... (FCC NPRM 03-103)



Airline and Passenger Goals

- Passengers want airborne access for cell phones, PDAs, laptops
 - Same capabilities as on ground, no special set-ups
 - Broadband data services for internet and email
 - Substantially same price and services as on ground
- The airline industry is speaking up for broadband and competition
- Cost-effective broadband ATG network is needed to provide services at attractive pricing



Competition in ATG services...

- Competition key to innovation, variety and price
 - Airlines will have choice and ability to switch without lock-ins
 - Incentive for operators to offer passengers the broadest services at the best prices
 - All airlines and passengers assured of affordable access to broadband services
- Satellite-based systems cannot provide real competition to ATG systems in the US
 - Broadband systems are extremely expensive \$500,000 per aircraft - suitable for long-haul, not for thousands of domestic aircraft
 - Low cost satellites can't provide broadband (Iridium & Globalstar)



Licensing Alternatives

Exclusive spectrum plan

- One exclusive 2.5 MHz license (A block) and one exclusive 1.5 MHz license (B block)
- Doesn't provide real competition
 - No cost-effective broadband possible in 1.5 MHz spectrum
 - Narrowband incapable of addressing ATG passenger demand (Example: existing AirFone service)
- Does not maximize use of scarce spectrum
 - Monopoly no competitive pressure on A block
 - B block will be unused, or used marginally



Licensing Alternatives

- AirCell and Boeing spectrum plans
 - Accommodate two to four carriers
 - Individual plans jointly supported by AirCell and Boeing
 - Provide vigorous competition on a level playing field
 - Maximize the efficient and innovative use of scarce ATG spectrum
 - Support much more passenger and airline traffic
 - Achieve FCC Goals



AirCell Proposal

- Innovative use of existing technology to allow multiple carriers to share the spectrum
- Virtually no cross-system impact due to isolation mechanisms
- Each carrier has implementation flexibility
- Full service all the way to the ground ("deck-to-deck")
- Simple rules for spectrum sharing



AirCell "Deck-to-Deck" service

- AirCell proposal offers full "deck-to-deck" service
 - Multiple service providers (broadband systems) ease capacity problem around airport
 - Provides maximum spectrum efficiency
 - ATG networks used down to 200' –300' altitude
 - Hands-off to higher capacity terrestrial networks during approach and on ground
 - Real world airport traffic patterns modeled
 - Four operators can be accommodated
 - Simple site coordination mechanism around airport

Simple Rules Drive AirCell Proposal

- Simple rules for sharing of spectrum
 - Similar to terrestrial systems
 - Offers level playing field for all operators
 - No undue advantage to a first system constructed
 - Operator flexibility to use variety of techniques (tower height, antenna, transmit power, distance, etc.)
 - Accountability rests with each operator
- All rules can be met with commercial, off-theshelf equipment



Airfone Proposal

- Airfone wants to keep its monopoly status
- Airfone sat on its monopoly for years
 - FCC proposed bringing innovation to the ATG band citing innovators like AirCell
- Airfone has never submitted system design or simulation information to support claims
- Objections to AirCell proposal are disingenuous and self-serving
 - Same old extreme examples and misleading claims



Airfone Misstatements

Airfone's presentations misstate the facts about AirCell's plan. The truth is:

- No performance penalty for multiple systems
- AirCell is proposing CDMA just like Airfone which will provide full broadband service
- AirCell will provide full broadband to the ground with no problems below 10,000 feet
- Ample flexibility to innovate and evolve in the future with a few, manageable coordination requirements
- Satellites are no substitute for terrestrial ATG. Satellites either too expensive or incapable of providing broadband



Summary

- AirCell offers an innovative, spectrum-efficient proposal that will work
 - Unique ATG market enables efficient sharing of spectrum without inter-system interference
 - Provides up to four times the capacity of a single carrier
- Each operator has flexibility in network design, technology choice, and technology evolution
- No performance penalty for multiple systems
 - Capacity and data rates unaffected by spectrum-sharing
 - Multiple operators all provide broadband service



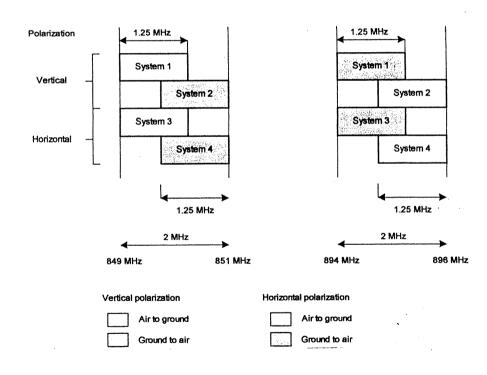
Summary

- The public will be better served with a healthy competitive environment for ATG services
- With only 4 MHz to serve the entire aviation telecom market, the FCC needs to take the extra steps to insure a competitive industry, and to accomplish the Commission's goals in this proceeding
- The Commission once again has an opportunity to support innovation, maximize the efficient use of scarce spectrum and support competition



Appendix – AirCell's Proposed rules

Spectrum Plan



Appendix – AirCell's Proposed rules

- Rules based on two factors
 - Distance between different operators' base stations
 - Interference from a base station at a given radius (interference always kept below thermal noise floor)
- Around airports
 - Airport Ring (8-10 miles radius from airport center)
 - Up to 3 sites per operator
- Primary Coverage sites
 - 65 miles between different service providers' sites
- Capacity sites to meet growth or high-traffic pockets
 - 45 miles between different service providers' sites
- No distance limitation between same, co-duplexed service provider sites